2022

POPULAR ANNUAL FINANCIAL REPORT

NORTH CENTRAL RTD

Fiscal Year June 30, 2022

North Central Regional Transit District - Española, New Mexico

NCRTD Mission Statement:

"To provide safe, secure and effective public transportation within North Central New Mexico in order to enhance the quality of life of our citizens by providing mobility options and economic opportunities throughout the region."

NCRTD Vision Statement:

"To be the leading rural public transportation organization connecting communities and enhancing cultural, environmental, social and economic opportunities for the betterment of our region."

About NCRTD:

The North Central Regional Transit District provides fare-free public transit service to an area that encompasses over 10,000 square miles of north central New Mexico. The District's Board is comprised of elected officials representing the counties of Taos, Los Alamos, Rio Arriba and Santa Fe; the Cities of Santa Fe and Española; the Towns of Taos and Edgewood; the Villages of Chama, Questa and Taos Ski Valley; as well as Tribal representatives from the Pueblos of Pojoaque, Ohkay Owingeh, Nambé, San Ildefonso, Santa Clara, and Tesuque. It provides service to more than 74 communities and sovereign nations.

TABLE OF CONTENTS

MESSAGE FROM THE CHAIR AND DIRECTOR..... 2-3

BOARD OF DIRECTORS AND ACTION REPORT 4-5

FINANCIAL HIGHLIGHTS 6-7

CAPITAL PROJECTS MOVING FORWARD 8-9

RIDERSHIP AND FINANCE HONORS 10

REBRANDING 11

SERVICE ENHANCEMENTS 12-13

TAP PHASE VIII 14

TRANSIT DRIVER APPRECIATION DAY 14

EMPLOYEE CORNER 15

Message from the Chair

Dennis Tim Salazar
NCRTD Chair and Española City Councilor

We are pleased to present the Popular Annual Financial Report (PAFR) for the Fiscal Year ended June 30, 2022. The PAFR provides a summary of the District's organizational structure, services, major initiatives, finance, achievements, and economic prospects for readers without a technical background in accounting or finance.

This report is demonstrative of our commitment to preserving the District's long term financial health and is intended to summarize the financial activities of the District's funds that are reported in more detail in the Annual Comprehensive Financial Report (ACFR). Unlike the ACFR, this report is unaudited and does not contain all reported funds and full financial disclosures for the fiscal year. The PAFR does not substitute for the District's ACFR. A copy of the ACFR is available in the Reports section under the About Us tab at www.ncrtd.org

We're proud to announce that the District again received the Distinguished Budget Presentation Award for its annual budget for the fiscal year 2023 beginning July 1, 2022, and the Certificate of Achievement for Excellence in Annual Comprehensive Financial Reporting for fiscal year ended June 30, 2021, which represent the seventh consecutive year receiving the awards. For the third consecutive year, the District received the Popular Annual Financial Reporting Award for the fiscal year ended June 30, 2021, from the Government Finance Officers Association (GFOA). These awards known as the Triple Crown, acknowledge that the District's financial reporting and management activities are recognized as best practices in New Mexico, and the nation.

Fiscal Year 2022 (July 1, 2021, thru June 30, 2022) represented a continuation of the public transit challenges exacerbated by the pandemic. We commend our staff for their integrity, professional competency, and dedication to public service. Our employees have continued to perform admirably during this pandemic; continuing to provide crucial transportation services to the four-county region and especially for those most dependent on transit to get to work to medical care and access to food and life's daily necessities in the 74 communities and 289,292 citizens we serve.

and Executive Director

The District, with the Board's guidance, underpinned the fact that the District continues to be resilient, both financially and operationally. In spite of the challenges the District kept its focus on its long-term financial and strategic approach in managing its resources and implementing its capital investment program and planning for the future which included the following:

- Completing the construction of a $11.3 million Maintenance and Fueling Facility in Espanola.
- Completing the design of the new $9.7 million Operations and Maintenance Facility in Taos located at the intersection of Salazar and Este Es Road.
- Completing the design for the expansion of the Jim West Regional Transit Center in Espanola.
- Acquired funding to upgrade buses with safety barriers and ultraviolet ventilation systems.
- Commenced the design and acquisition of ten (10) electric buses and vehicles, and associated charging infrastructure to be placed in service in Espanola and Taos.

The aforementioned items are a sampling of the accomplishments contained within this report. We look forward to the upcoming year as we enter a new period of health and economic recovery in a post pandemic environment and the expectations for a brighter tomorrow.

Anthony J. Mortillaro
Executive Director

Cordially,

Dennis Tim Salazar, Chair and Española City Councilor

Anthony J. Mortillaro, Executive Director

BOARD OF DIRECTORS

CHAIR
Tim Salazar
-Mayor Pro Tem-
City of Española
Alternate
Justin Salazar Torres
Councilor

VICE CHAIR
Hank Hughes
-Comissioner-
Santa Fe County
Alternate
Anna Hansen
Comissioner

TREASURER
Scott Flury
-Councilor-
City of Chama
Alternate
Matthew Gallegos
Chama Village Councilor

COUNCILOR
Lee A. Garcia
City of Santa Fe
Alternate
Eric Aune MPO Officer

COMMISIONER
Ken Brennan
Town of Edgewood
Alternate
Filandro R. Anaya
Commissioner

COUNCILOR
Melanee Hand
Los Alamos County
Alternate
Annette Granillo
Transit Manager

LT. GOVERNOR
Natividad Herrera
Nambe Pueblo
Alternate
TBD

Transportation
Public Works
Director Ben Lujan
Ohkay Owingeh
Alternate
Sybil Cota
Planning Technician

TBD
Pueblo of Pojoaque
Alternate
Jeff Montoya
Assistant to Special
Projects

TBD
Village of Questa
Alternate
TBD

COMMISSIONER
Christine Bustos
Rio Arriba County
Alternate
Matthew Casados
Deputy
County Manager

LT. GOVERNOR
Raymond Martinez
Pueblo de
San Ildefonso
Alternate
Lillian Garcia
Transportation
Planning Director

TRIBAL SHERIFF
Joseph Gutierrez
Santa Clara Pueblo
Alternate
Suzette Shije
Transportation
Program Director

COMMISIONER
Jim Fambro
Taos County
Alternate
Darlene Vigil
Commissioner

MAYOR
Pascual Maestas
Town of Taos
Alternate
TBD

TBD
Village of Taos
Ski Valley
Alternate
Jalmar Bowen
Building Inspector

TBD
Pueblo of Tesuque
Alternate
Brenda Atencio
Interim
Transportation Director

Ex Officio Member: Dewey Cave | Rio Metro RTD - Alternate Elizabeth Carter

NCRTD BOARD OF DIRECTORS OVERSEE ACTIVE YEAR IN FY 2022 WITH RECORD 43 RESOLUTIONS PASSED

Barreling out of the pandemic, the NCRTD Board of Directors passed a record 43 Resolutions in Fiscal Year 2022. Not missing a beat, the NCRTD Board continued to meet each month determined to ensure the residents of the District were well represented. The Board worked tirelessly to make the NCRTD run smooth and efficient, despite the challenges that the pandemic and subsequent shortage of transit operators brought forth.

The Finance Subcommittee continued to meet on a monthly basis and the Tribal Subcommittee, met on a quarterly basis, to review matters and make their recommendations to the Board.

This past year the Board saw some big changes as longtime Chair and Town of Taos Mayor, Daniel Barrone, was replaced by Vice Chair Dennis Tim Salazar, City of Española Councilor, as Chair of the NCRTD Board. Chair Barrone's Town of Taos seat on the Board was filled by in-coming Mayor Pascual Maestas. Assuming the position of Vice Chair was Hank Hughes, Santa Fe County Commissioner. The District also sadly and respectfully honored the passing of longtime Board member and Secretary/Treasurer Scott Flury, Village of Chama Councilor. Voted in to fill Councilor Flury's Officer position was Lee Garcia, City of Santa Fe Councilor.

Among the 43 Resolutions adopted by the Board were:

- A resolution adopting an Infrastructure Capital Improvement Plan for Fiscal Years 2023 through 2028
- Adopting and amending the Public Transportation Agency Safety Plan as well as the District Drug and Alcohol Policy
- Authorizing District Staff to apply for Federal Funding for the Renovation and Expansion of the Jim West Regional Transit Center as well as the construction of a Park and Ride facility to be located at District Headquarters
- A resolution authorizing District staff to apply for Federal Bus and Bus Facilities funding four battery electric buses, on route charging infrastructure, workforce training and facility improvements
- Permanently eliminating fares for all North Central RTD fixed routes
- In addition, the Board authorized District staff to work with a number of our tribal partners to collaborate, write and submit Federal grant requests for bus replacements, and bus stop improvements including Americans with Disabilities Act (ADA) enhancements. Those Tribal entities included Ohkay Owingeh, Santa Clara Pueblo, Taos Pueblo, Tesuque Pueblo and the Jicarilla Apache Nation

FY2022 Revenues: $21,011,183

FY2022 Expenses: $19,153,395 million

Transit Gross Receipt Taxes were 58% of 2022 Revenues

FISCAL YEAR 2022 FINANCIAL HIGHLIGHTS

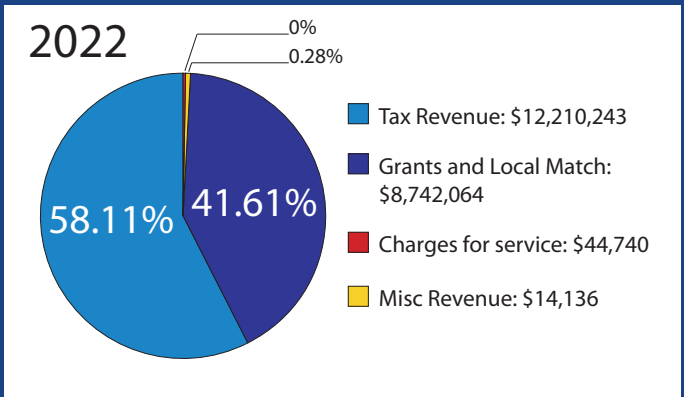
This Annual Report contains summarized financial information taken in part from the North Central Regional Transit District's (NCRTD's) FY 2022 Annual Comprehensive Financial Report (ACFR), which is published separately.

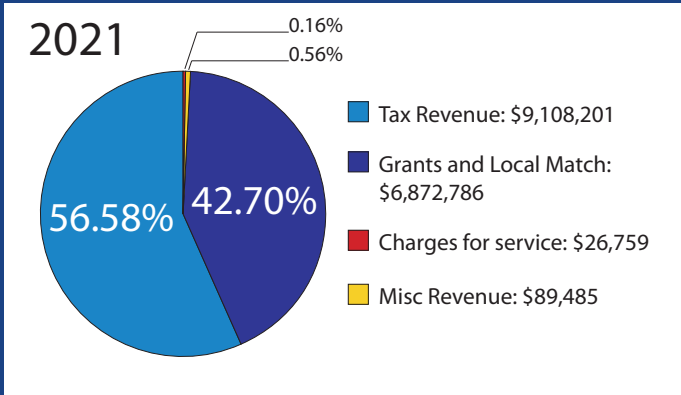
This Popular Annual Financial Report is a summary created for general readership to inform those without financial and/or accounting background and as such it does not contain all the information available in the District's ACFR. Users desiring additional or more comprehensive information such as financial information presented in accrual method, by classification, Management's Discussion Analysis and/or Audited Financial statements please refer to the ACFR.

The FY 2022 ACFR is available at District's headquarters building in Española and/or the District's website at www.ncrtd.org (in the Reports section under the About Us tab). The Financial records and statements are fairly and accurately presented in accordance with Generally Accepted Accounting Principles (GAAP).

Budget:

On June 30, 2021, the District adopted a balanced operating budget for Fiscal Year 2022 of $41,017,932 million. Revenues received during the 2022 Fiscal Year were $21,011,183 vs. $19,153,395* of expenses incurred. This means that the District received $1,857,788 more than it spent.





NCRTD REVENUES 2022 & 2021

Revenues:

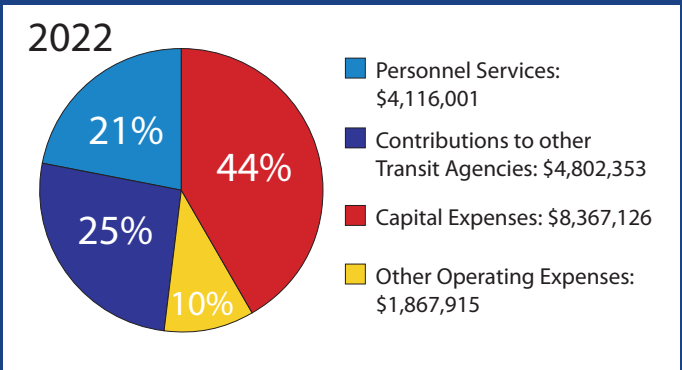
For Fiscal Year 2022 the District received revenues in the amount of $21,011,183. The revenues were received from the following sources: Federal and State grants (41.61%), Transit Gross Receipt Taxes (58.11%), and miscellaneous sources (.28%). The increase in revenue during FY2022 is related to an increase in the tax revenues and grant reimbursements for capital expenditures.

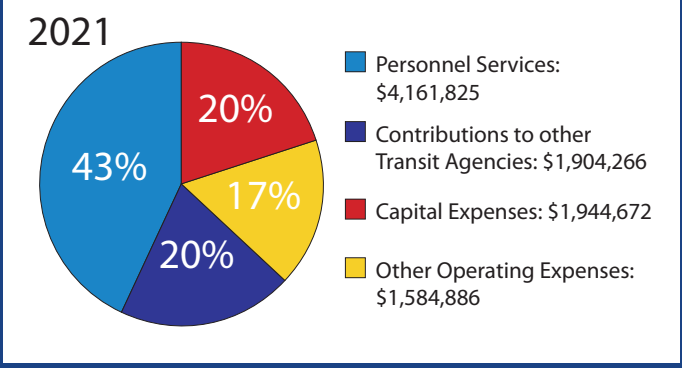
* The NCRTD's ACFR is presented under the accrual basis of accounting method in which revenues are recognized when earned and measurable and expenses are recognized when incurred.

FY2022 GRT Contributions to other Transit Agencies (25%)

FY2022 Personnel services salaries (21%)

NCRTD EXPENSES 2022 & 2021





Expenses:

Expenses incurred during Fiscal Year 2022 totaled $19,153,395 consisting of the following: Personnel services salaries (21.49%), GRT Contributions to other Transit Agencies (25.07%), Capital outlay (43.69%), and Other Operating Expenses (9.75%).**

The largest expenditure category is Capital, followed by personnel services salaries and GRT contributions made to other Transit agencies that provide services within the District's service area such as: the New Mexico Rail Runner, Santa Fe Trails and Atomic City Transit in Los Alamos County. The decrease in expenses is net effect of decreases in salaries, benefits, and contributions to other transit agencies.

Overall:

For the fiscal year 2022 ending June 30, 2022, Jaramillo Accounting Group LLC, the District's external auditors, expressed an unmodified opinion which is the best opinion that can be received (often referred to as a 'clean' audit).

The NCRTD Finance department oversees and handles all financial aspects of the District that is inclusive of Accounts Payable, Accounts Receivable, Payroll and maintaining the General Ledger. The Finance Department is also responsible for all the aspects of the District's financial obligations and reporting in relation to grants compliance and procurements.

The District's financial status continues to improve with significant investment in capital including both infrastructure and rolling stock, along with increases in revenue.

A high standard of excellence, fiscal responsibility and values drives the District's Finance Department. The goal of the department is to provide outstanding levels of support and timely and cost-effective service and products while conforming to the highest level of Ethical standards.

** The Popular Annual Financial Report excludes non-cash expenses such as depreciation, amortization, write-offs, etc

NCRTD OPENS NEW MAINTENANCE FACILITY, WASH BAY AND FUELING STATION AT ESPAÑOLA HEADQUARTERS

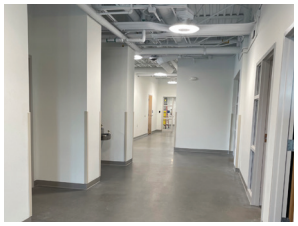
On September 15, the District hosted a ribbon cutting to dedicate its new $11 million maintenance facility, wash bay and fueling station, and celebrated the culmination of a 9-year endeavor in achieving the significant milestone.

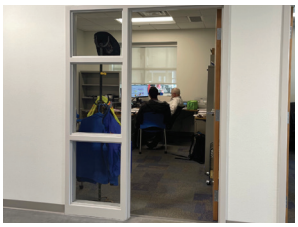
The completion of the facility was made possible by the funding and support of Federal Transit Administration (FTA) federal grant programs, and New Mexico state legislative capital investment programs. The FTA provided more than $8 million in federal funds towards the completion of the project.

Joining the District to celebrate the opening was FTA Senior Advisor Veronica McBeth who traveled from Washington DC. Senior Advisor McBeth manages several FTA initiatives, including transit-oriented development, climate and sustainability, equity and infrastructure. The Senior Advisor was joined by Region VI FTA Administrator Gail Lyssy and her staff.

A number of speakers joined Senior Advisor McBeth, NCRTD Chair and City of Española Councilor Dennis Tim Salazar and NCRTD Executive Director Anthony Mortillaro in cutting the ribbon including NM Senator Leo Jaramillo, David Harris, NMDOT Director of Transit and Rail, and representatives for Governor Michelle Lujan Grisham, Senator Ben Ray Lujan and Congresswoman Teresa Leger Fernandez. The group also featured many current and former NCRTD Board members. C. Michael Chavarria, Chair of the Eight Northern Pueblos and Governor of Santa Clara Pueblo provided an opening prayer.

The new facility is located on 7 acres and encompasses an overall total of 21,600 square feet of buildings. It consists of five maintenance bays, fleet and facilities administrative offices, parts and inventory space, a bus wash facility and fueling area. Green building standards were employed and allowed for energy efficient design, water recycling and conservation in the recapture of runoff water. It also allows increased quality and safety control, cost savings and more efficient responsiveness by reducing reliance on off-site vendors and providing us with direct oversight on vehicle repairs and routine maintenance.





TAOS OPERATIONS AND MAINTENANCE FACILITY CONTINUES TO MOVE FORWARD

With the purchase of six acres off Salazar Road and Este Es Road in the Town of Taos and the Architectural and Design phase completed, the District has moved forward towards the construction phase of its Taos Operations and Maintenance Facility.

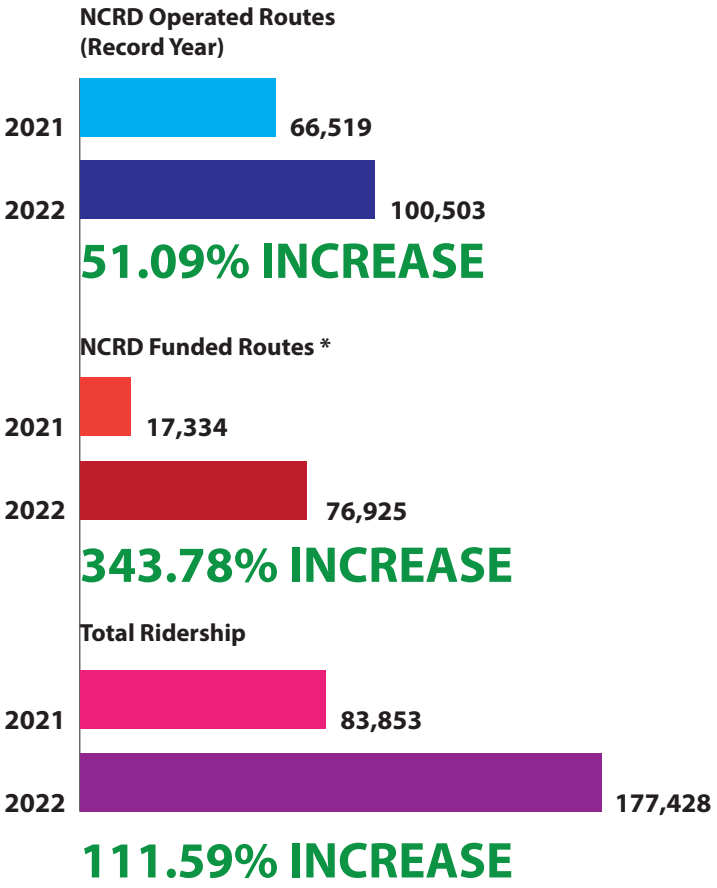
The new facility will house the organization's existing and future fleet maintenance and operational needs and include operations areas, maintenance repair bays and support spaces, maintenance equipment and a Fueling Station. The construction will fulfill current vehicle operations, maintenance and upkeep needs as well as be capable of accommodating future fleet expansion.

RIDERSHIP CONTINUES ITS RECOVERY WITH 112% INCREASE IN FY 2022

North Central RTD ridership continues to recover as pandemic concerns ease with overall ridership this fiscal year seeing a 112% increase over FY 2021.

Ridership on NCRTD operated routes saw a 51% increase in trips and on NCRTD funded routes, there was a 344% increase leading to a combined 112% increase in trips.

Ridership continues to be impacted by shortages of Transit Operators; a trend seen nationally in public transit sectors.



*NCRTD funded routes include regional routes funded by NCRTD and serviced by Santa Fe Trails and Los Alamos Atomic City Transit

NCRTD RECOGNIZED BY GFOA AS TRIPLE CROWN WINNER FOR ITS FINANCIAL REPORTING IN FY 2020

This year, North Central RTD was recognized by the Government Finance Officers Association (GFOA) of the United States and Canada as a 2020 Triple Crown Winner.

Triple Crown designation recognizes governments that have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award and Distinguished Budget Presentation Award for a fiscal year. North Central Regional Transit District is one of just 317 governments that received the Triple Crown for fiscal year 2020.

The Triple Crown designation represents a significant achievement. To qualify, each entity must meet the high standards of all three separate award programs. Each award program recognizes governments that produce reports which communicate their financial stories in a transparent manner and meet applicable standards.

Certificate of Achievement
FOR EXCELLENCE IN
Financial Reporting

NORTH CENTRAL RTD INTRODUCES NEW LOGO AND BRANDING FOR THE BLUE BUS

The North Central RTD has introduced the new look for its RTD Blue Buses. Now simply known as the Blue Bus, the newly branded buses will begin rolling out throughout the District over the coming months and over the next couple of years.

As part of the rebranding, the District will modify referencing to itself as North Central RTD rather than North Central Regional Transit District. Over the years, users of the service have commonly referred to it as the Blue Bus or RTD Blue Bus and the new branding will make use of that naming with the simple brand as the "Blue Bus."

The new logo and vehicle branding was created by Studio Six Branding after a series of Discovery sessions with area stakeholders. It incorporates elements of the land and presents a celebration of cultural diversity and inclusivity that has been inspired by the majestic and awe-inspiring northern New Mexico landscape and symbols at the heart of the communities it serves. Based in Longmont, CO, Studio Six Branding specializes in transit branding and has worked with systems nationwide to refresh their logos and rebrand their vehicles.

The new bus design incorporates mountains, mesas and blue skies so prominent in the northern New Mexico landscapes. It also incorporates elements of eagle feathers, symbols that were raised by area Pueblos during a Discovery session with the North Central RTD Tribal subcommittee and members of their Pueblos.

Along the top of the bus are translations of the word Blue in various languages commonly spoken in the region with Spanish, Tewa and Tiwa, as well as French and German. The Tewa translations were provided by Nambè Pueblo and Ohkay Owingeh, and the Tiwa translation by Picuris Pueblo.

North Central RTD is in the process of purchasing a series of new buses including ten electric vehicles (which will have its own unique Blue Bus branding). All of the buses will feature the new branding. In the past bus purchases would have roughly a nine-month delivery time, but today due to supply chain issues that window has extended to one to two years.

In Española, demand service is currently offered within a 15-mile radius from the Española Transit Center, within Rio Arriba County only. This will now allow the District to service sections of Santa Fe County within that 15-mile radius as well. In Taos, the Chile Ride paratransit and demand service will soon offer rides within a 1.5-mile service area from the 340 Chile Red route, expanding the service from the current 0.75 miles.

NCRTD BEGINS BETA TESTING MICROTRANSIT SERVICE - MYBLUE

In preparation for the launch of its new app-based on-demand microtransit service, NCRTD began beta testing the MyBlue service and mobile application, December 1.

The District is partnering with Liftango, a group of mobility strategists, to deploy MyBlue. The new technology allows passengers to download a mobile application that can be used to book trips, pay fares, and view the real time location of the bus. Riders will also be able to book trips up to an hour in advance, allowing for greater flexibility and freedom (this feature will become available once additional staff have been recruited). The launch began with a small group of beta users for testing, but soon the mobile application will be available to all customers. MyBlue will replace the District's existing on-demand services in Espanola, Taos, and Pojoaque-Nambe, and future expansion of the microtransit service is planned for other communities within the District.

WHERE WILL THE BLUE BUS GO NEXT?

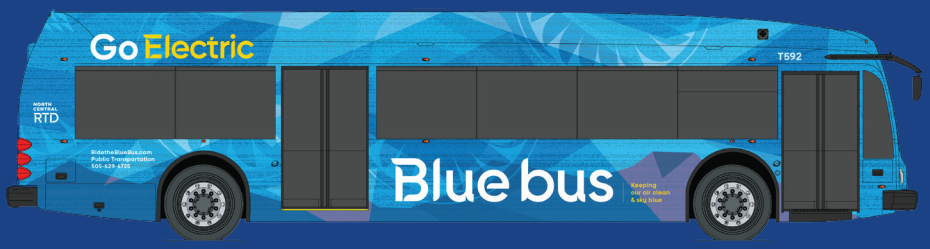
DISTRICT LAUNCHES PROGRAM TO UPDATE ITS LONG-RANGE STRATEGIC PLAN AND DEVELOP TRIBAL TRANSIT PLAN

In FY 2022, North Central RTD began work to update its Long-Range Strategic Plan, first completed in 2015. The plan will present a meaningful 20-year mission and clear vision for the future of transit service in NCRTD's service area. The goals of the plan will be to prioritize investments and set the stage for new performance metrics to better allocate resources in a manner compatible with reaching the organization's mission to best serve the public. The development of the plan will include input from community members, riders, NCRTD staff, and the Board of Directors to ensure the path forward meets the needs of those who live, work, visit, and recreate in the region.

The District is also developing its first standalone Tribal Transit Plan (previously incorporated into general transit service plans) that will serve as a foundational document to record existing transportation challenges and identify a strategic mobility vision for Tribal entities served by NCRTD. The eight-month planning effort focuses on developing and evaluating transit service alternatives for each of the Eight Northern Pueblos and the Jicarilla Apache Nation. The development of this plan will be a step forward toward ensuring that community members have accessible and reliable transportation options.

Partnering with the District to complete the project is Felsburg, Holt & Ullevig, a Denver-based multidisciplinary consulting firm specializing in transportation planning, multimodal planning, traffic engineering, transportation operations and safety, environmental services, water resource engineering, civil engineering design, structural design, construction management, and rail/transit services.

ELECTRIC BUS CONVERSION PROGRAM UPDATE



The North Central RTD has entered a vehicle purchase contract phase on its conversion to electric low-no emission vehicles.

The District is negotiating with Proterra, the industry-leading electric vehicle provider, for the purchase of six Proterra ZX5 Max 40-foot electric vehicles. Delivery is expected in mid-calendar 2024. Additionally, the District will be purchasing four electric Ford Transit Vans and will align the delivery for those vehicles to match that of the Proterra buses as the electric vans have a shorter build and delivery window.

The conversion is being made possible through the FTA's Low-No Grant Funding awards. Five of the vehicles will be placed in the City of Española and five will go to the Town of Taos. The $9 million program also will provide for the purchase of associated charging infrastructure improvements and workforce training to maintain the vehicles.

NCRTD has retained the Center for Transportation and Environment (CTE) for project management and development of an implementation strategy, and AECOM for a technology needs analysis and recommendations for zero emissions bus transition plan.

FTA TRIBAL TRANSIT PROGRAM AWARDS $400,000 TO THREE NORTHERN NEW MEXICO NATIVE TRIBES

The Federal Transit Administration (FTA) has awarded three northern New Mexico native tribes $400,000 in grant money for a wide range of Tribal Transit Projects (TTP) that support transit services for American Indian Tribes and Alaska Native villages in rural areas.

The NCRTD submitted grant requests on behalf of Santa Clara Pueblo which was awarded $140,000, Pueblo of Tesuque which will receive $140,000, and Jicarilla Apache Nation which will receive a total of $120,000.

According to a press release issued by the FTA:
"Santa Clara Pueblo will receive funding to upgrade two bus stops with shelters and passenger amenities to improve accessibility. The improvements will help the Pueblo to continue to provide safe and reliable transit service to help tribal residents access jobs, education and healthcare.

"The Pueblo of Tesuque will receive funding to upgrade two bus stops with shelters and passenger amenities to improve accessibility. The improvements will address state of good repair needs and help the Pueblo continue to provide safe and reliable transit service to help tribal residents access jobs, education and healthcare.

"Jicarilla Apache Nation will receive funding to buy buses that will replace buses that have exceeded their useful life. The project will support residents of rural north central New Mexico with greater access to jobs, school, healthcare and economic opportunities."

Public transit service for each of the Pueblos and the Nation are provided by the North Central RTD Blue Bus.

NCRTD COMPLETING TAP PHASE VIII CONSTRUCTION OF ADA COMPLIANT BUS SHELTER STOPS AND BEGINS PLANNING FOR PHASE IX

The District is currently in the process of completing its Transportation Alternatives Program (TAP) Phase VIII and has begun developing the groundwork for its IXth Phase of the program.

Phase VIII included the construction of 23 ADA-compliant bus stops at several locations within the Village of Questa, Taos County, Town of Taos, City of Española and Village of Chama. The project includes, grading, excavation work, demolition of sidewalks and/or old shelter pads, site preparation, installation of new sidewalks, installation of concrete shelter pads, small retaining walls, landscaping, irrigation repairs and installation of bus shelters, benches, solar power and trashcans.

Phase IX will earmark 24 locations for ADA enhancements and will include stops throughout the District including Española, Santa Fe, Taos, Peñasco, Chimayo, Pueblo of Pojoaque, Eldorado, Tierra Amarilla, Hernandez and Velarde.

NCRTD CELEBRATES TRANSIT DRIVER APPRECIATION DAY

In March, the NCRTD was happy to celebrate Transit Operators on Transit Driver Appreciation Day.

This year was especially important as a time to acknowledge transit operators who have worked tirelessly these past two years, and always, to provide essential service to the people of Northern New Mexico!

A video of appreciation was compiled to recognize transit operators, our heroes working on the front lines throughout the pandemic. Contributing to the chorus of thank yous in the video were US Senator Ben Ray Lujan, US Congresswoman Teresa Leger Fernandez and New Mexico Senator Leo Jaramillo. Their participation was greatly appreciated by the everyone. A certificate of recognition from the New Mexico State Senate was presented to each of our drivers.

EMPLOYEE CORNER

The following series of photos highlights our team members from throughout the year. Included are photos from the charitable ventures such as the Holiday Giving Tree to benefit the foster children of the NM Children Youth and Families division; Fun Committee events and competitions; Trunk or Treat; Blue Bus rebranding celebration; and community events such as Española Holiday Light Parade and the Legislative Reception.

Blue
bus

LOWE'S
RECEIVING

Blue bus

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
1327 N RIVERSIDE DR ESPAÑOLA, NM 87532
505.629.4725 | NCRTD.ORG